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May 4, 2004

Docket Management Facility
U.S. Department of Transportation
400 Seventh Street, SW, Room L-401
Washington, DC 20590-0001

Re: Vessel Documentation; Lease Financing for Vessels Engaged in the
Coastwise Trade; Docket Nos. USCG-2003-14472 & MARAD-2003-
15171-48 USCG-2000-14472-55

Ladies and Gentlemen:

I am writing you in connection with the Coast Guard's recent proposal to restrict time charters of foreign lease-financed vessels while providing an extremely limited grandfather period for existing arrangements.

Pursuant to such an existing arrangement, BP, a major oil producer in the State of Alaska, is financing the construction of four state-of-the-art tank vessels at NASSCO for the carriage of Alaska crude oil at a cost of nearly \$1 billion. This program, which could be imperiled by the proposed regulatory changes, is vital to the safe and continuing supply of Alaska crude oil to the West Coast.

This financing is a good example of the benefits of investment to the Jones Act and to the U.S. economy that preserve key attributes of the Jones Act -- U.S. citizen crew, U.S. citizen operation, and vessels constructed in the United States, while at the same time protecting BP's incentive for this substantial investment: having the use of such vessels that will be engaged predominantly in carrying BP proprietary cargoes. We urge you to take these benefits into account in the promulgation of a rule and to preserve BP's new tank vessel construction program.

Thank you for the opportunity to participate in this important process.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Frank H. Murkowski".

Frank H. Murkowski
Governor